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REORGANIZATION OF THE STATE GOVERNMENT OF PENNSYLVANIA

TO PROVIDE FOR A STATE BUDGET

TO SECURE AN EFFECTIVE CIVIL SERVICE SYSTEM

TO CENTRALIZE THE PURCHASING OF SUPPLIES

TO REDUCE EXTRAVAGANCE AND IMPROVE SERVICE IN
STATE PRINTING

TO SIMPLIFY THE MACHINERY OF STATE GOVERNMENT

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REPORT OF THE PENNSYLVANIA STATE ASSOCIATION

APRIL, NINETEEN TWENTY-TWO

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Report of the Pennsylvania State Association

APRIL, 1922

The Commission for the Reorganization of the State Government, authorized by the last legislature and appointed by the governor, has made public five or six salient features of its proposed program, in such good season that the voters may, if they desire, interrogate candidates upon the questions and learn their respective attitudes before the primary election.

These main points are:

1. An executive budget.
2. A department of public works, including a purchasing agent for the whole state.
3. A tax commission.
4. The abolishing of obsolete activities.
5. The merging of all special funds with the state's general fund, in the state treasury.
6. The changing of all fiscal years so as to coincide with the calendar year.

Through the courtesy of Senator George Woodward, chairman of the commission, it is possible to set forth practically verbatim an explanatory statement which he has issued for the commission, relative to these points:

1. EXECUTIVE BUDGET

"As regards the executive budget, we propose three things: 1st, a constitutional amendment; 2d, a statute, to provide for a budget until a constitutional amendment can be adopted; and 3d, a gentleman's agreement by the outgoing governor, the incoming governor and the incoming legislature whereby the budget prepared this year by the governor and his budget officer will be accepted by the incoming administration and legislature.

2. DEPARTMENT OF PUBLIC WORKS

"The commission is strongly of the opinion that the creation of a new department of public works stands for both efficiency and economy. There are now twenty commissions operating independently, all of which have to do with public works, and which may be gathered into one co-ordinated unit. One of the bureaus of this new department will be the state purchasing agent. About twenty of our states already have

a purchasing department and while they have had to modify in some respects the details of the machinery, the principle of general purchasing has proved itself to be as economical in state administration as in the administration of a private corporation.

3. TAX COMMISSION

"The ever-growing helping hand of the state prevents retrenchment in the objects of expenditure. It is the tendency and always will be to multiply the objects of expenditure. This helping hand of the state explains the deficit which the state is now facing. In the last session of the legislature two new sources of revenue were approved, namely, a tax on gasoline and a tax on anthracite coal. The reorganization commission believes after its inquiries that what Pennsylvania needs is not new sources of taxation but a more perfect collection of the present taxes. The commission believes that the existing methods of assessing, re-assessing, and collecting taxes due the state are inadequate. The commission, therefore, recommends the creation of a tax commission which will impose valuations and equalize assessments.

4. ABOLISHING OF OBSOLETE ACTIVITIES

"The commission has discovered certain divisions of departments which have either outlived their usefulness altogether or in part. The duties of some of these may be distributed among the sub-divisions while some may be wiped off the slate. The commission estimates a saving to the taxpayers of around \$900,000 for a two-year period in the curtailment of these unnecessary activities.

5. MERGING OF SPECIAL FUNDS

"There are now twenty-two special funds coming into the treasury. All of these have developed since 1913 and are fast approaching a revenue equal in amount to the general fund. A striking example of the awkwardness involved is the road fund, amounting to nine and one-half million dollars. This fund is received at the end of the year and deposited in banks and trust companies drawing 3% interest. This money, or at least any considerable part of this money, cannot be used until the following summer for the upkeep of the highways. During this winter it has happened that the school teachers in some parts of the state have been kept waiting for their salaries; also, the state institutions have been obliged to borrow money at a rate of five or six per cent and perhaps

from the same bank or trust company in which is lodged the state road money drawing 3% interest. It is the commission's opinion that no revenue of the state should be earmarked for special appropriation, excepting always certain funds like the sinking fund and the teachers' retirement fund. It is obvious also that no scientific budget can be prepared unless all the money of the state is put into one fund subject to appropriation according to the budget.

6. CHANGING OF FISCAL YEAR TO CALENDAR YEAR

"What may seem comparatively an unimportant matter is the question of making all the years coincide with the calendar year. This may seem to be a detail of administration which is hardly worth while putting into this program but the inconvenience of the present two years which do not agree with the calendar year makes this simple change one of great and practical importance to the officers of the state."

To the Pennsylvania State Association, not only this proposed program but the entire work of the reorganization commission is of special interest. The Pennsylvania State Association is a co-operative organization of citizens for securing and using information upon which its members can vote and act as citizens more intelligently. As such, the Association is glad, through the courtesy of the reorganization commission, to aid in giving the proposed program to the public.

In so doing, this Association wishes heartily to commend the reorganization commission for its work, which, in our judgment, has been performed with entirely inadequate resources and in spite of formidable handicaps.

We Endorse Some of Their Points

The commission's proposals for an executive budget, for a department of public works, and for a central purchasing agent are worthy of very hearty endorsement; though it might be disadvantageous, rather than advantageous, to include the purchasing agent within the public works department. The creation of a tax commission, or equivalent body, is eminently to be desired. So is the abolition of special funds, the multiplication of which is becoming a serious menace to sound fiscal procedure. So, also, is the proposal to make coincident the "appropriation year" of the state and the fiscal years of the state and its agencies and institutions; though there would be distinct advantages from the standpoint of budget-making in having these coincide with an appropriation year beginning July 1 and ending June 30, rather than with the calendar year. The elimination of outgrown, overlapping and unnecessary units of the governments, and the dropping of obsolete or unnecessary functions, are matters that need no

arguing ; but of course also they are matters concerning which citizens will want to suspend judgment until specific proposals are before them.

And Present Our Own Report

In order that the suggestions before you may be fully discussed, the Pennsylvania State Association not only makes them public in this pamphlet but accompanies them with a report from its own drafting committee on the general subject of state reorganization.

The drafting committee is composed of some 19 citizens who have special knowledge of the state government and its departments, or of the principles of organizing public business. For four months it has studied intensively the organization of the state government. It has been furnished with much of the information which the reorganization commission itself has had. Senator Woodward has sat in most of its sessions, taking part freely in discussion (though not having a vote nor being consulted in the preparation of reports). The committee has conferred at length with the professional specialists who performed or have studied the work of reorganization in the states of Illinois, Massachusetts, and New York. Our committee's report therefore is an independent appraisal, produced under relatively favorable circumstances by a group of men and women all of whom speak with authority and many of whom are specialists in fields within discussion. It is gratifying to observe the extent of substantial agreement between the reports of this committee and the reorganization commission. To these points of established agreement, as well as to the entire report, may we direct your attention as a citizen?

If among its suggestions there are probable improvements which appeal to you, we believe that you are in a position to exact pledges from the candidates who are now asking for nomination at the party primaries.

FRANKLIN N. BREWER, *President.*

DRAFTING COMMITTEE
ON STATE REORGANIZATION
OF THE
PENNSYLVANIA STATE ASSOCIATION

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REPORT OF THE DRAFTING COMMITTEE

I. FUNDAMENTAL PRINCIPLES

Benjamin Franklin, as President of the convention which in 1776 drafted the first state constitution for Pennsylvania, wrote into that instrument the assertion that a "frequent reference to fundamental principles" was necessary for the "good government of the state."

There are certain principles which we believe should be followed in drafting any plan for the reorganization of the government of a state:

1. Executive power (as distinguished from legislative or judicial power) should be placed in a single executive, rather than in a board.

2. Where legislative or judicial (quasi-legislative or quasi-judicial) power is to be exercised in the executive branch of government, it should be placed in a board of three or more persons who should exercise that power only after a hearing at which parties interested and the public may have reasonable opportunity to be heard. Minutes of the proceedings should be kept, open to the public.

3. The governor should have the power to appoint policy-determining officials in the departments under him. Positions not policy-determining should be filled by appointment on the basis of merit and fitness, and permanent tenure during good behavior.

4. Public office is a public trust and no appointments or discharges should be made on the ground of political expediency.

5. It should be the policy of the state to avoid the creation of a new commission or board to perform a function which can be performed by an existing agency, and it should be the duty of a conscientious governor to veto any bill contrary to this principle.

6. Dual office-holding should be discouraged, and whenever it appears necessary to confer on an officer an ex-officio duty he should serve without extra compensation.

7. A short ballot affords a more effective expression of public opinion than a long ballot, and the goal should be to have not more than one or two state executive officials elected.

8. The budget is no longer an issue. It is imperative, however, that sound administrative and accounting principles be followed in the adoption of a budget procedure. It is essential to beneficial results, that responsibility for initiating programs and for leadership be placed on the executive, while the authority to make the ultimate decision on appropriations should be vested in the legislature.

II. THE MORE IMPORTANT OF THE PROPOSED CHANGES

A. *State Budget System*

The governor shall submit a budget to the legislature not later than March 1 in each year in which a regular session is held. The budget

is to be submitted in printed form and is to include: (1) the governor's recommendations as to appropriations, revenues and borrowings for each of the two ensuing fiscal¹ years; (2) the governor's recommendations as to changes in the organization of the state government; (3) classified estimates of the appropriations, expenditures, revenues and other funds available for appropriation for the two ensuing fiscal years, with comparisons with similar items for the current year and for the three preceding years; and (4) other information of value to the legislature in its consideration of the governor's recommendations.

With the budget, the governor is to submit, (1) a general appropriation bill covering the recommended appropriations that under the constitution can be included in one act,² (2) special appropriation bills to cover the other recommended appropriations, and (3) bills embodying his recommendations as to revenues and as to other matters dealt with in the budget.

To assist in preparing the budget the governor is to appoint a budget director; who, as the governor's representative and on his behalf, is to gather, analyze and compile whatever estimates, requests and information may be pertinent to the budget. All branches, departments and agencies of the state government are to supply the budget director with whatever estimates and information may be needed in connection with the budget, and all institutions or agencies receiving or desiring state aid are to submit similar information to him, through the department of public welfare, as it may be needed and called for.

Before submitting the budget to the legislature, the governor shall have his tentative budget printed for free distribution and shall hold public hearings thereon, at which all persons shall be afforded a reasonable opportunity to be heard on any matter related to the budget.

The budget and all accompanying bills shall be referred to a joint committee of the senate and the house of representatives, and this joint committee shall hold public hearings thereon, at which all persons shall be afforded reasonable opportunity to be heard on any pertinent matter.

The legislature shall have full power to amend the governor's bills in any way it wishes, but it shall not pass any bill making an appropriation until the general appropriation law has been enacted, except that appropriations solely for the immediate needs of the legislature and appropriations which the governor has requested the

¹ It is recommended that the fiscal year of the state be made to conform to an appropriation year beginning July 1 and ending June 30; that all departments and agencies of the state use the same fiscal year; and that all financial transactions of the state, including transactions involving taxes and other revenues, conform to this fiscal year so far as practicable.

² It is recommended that the constitution be amended so as to permit all kinds of appropriations to be included in one act.

legislature so to pass may be passed prior to the enactment of the general appropriation law.

After the general appropriation law has been enacted, no appropriation shall be made for any purpose included in such law, or in the general appropriation bill as submitted by the governor, unless the governor has requested the legislature so to make such appropriation.

The legislature shall not adjourn until two weeks have elapsed after the last bill making an appropriation has been submitted to the governor for his approval.

The governor is to continue to have the right to veto or reduce the amount of any appropriation item, and the legislature is to have the same power as it now has to pass appropriations over the governor's veto.

No appropriation is to be made for a period extending beyond the end of the fiscal year within which the next regular session of the general assembly is to open. No liability is to be incurred pursuant to any appropriation after the expiration of the period for which such appropriation was made. Any balance of an appropriation not required to discharge liabilities incurred pursuant thereto shall merge at the expiration of the period for which such appropriation was made.

No appropriation is to be valid unless prior to the passage of the bill making such appropriation the auditor general certifies in writing to the legislature that in his judgment funds will be available, within the period covered by the appropriation, to meet it and all previous appropriations and commitments to which such funds may be lawfully applied.

All money received or collected for the state government is to be paid into the state treasury without deduction of any kind, and all money received for other than trust purposes is to go into the general fund. No money is to be paid out of the state treasury or out of any fund of the state government except pursuant to lawful appropriations applicable thereto, nor except on warrant drawn by the proper officer and countersigned by the auditor general.

Appropriations for state aid shall be made to the department of public welfare, in terms of classes of institutions instead of to specific institutions, and are to be expendable only according to a plan or plans, enacted into law, whereby all institutions of a class shall receive payment in equal and direct proportion to the services rendered by them. No appropriation to a class of institutions is to be valid unless it receives the affirmative vote of two-thirds of all the members of each house of the legislature.

B. *State Civil Service Commission*

Governor Sproul in his opening address to the Commission for the Reorganization of the State Government said:

"Your study of our affairs should, it seems to me, be fortified by some inquiries as to the operations of some of the other greater states of the Union; notably of New York, that great state whose problems are most nearly commensurate with our own, and Massachusetts, whose government is generally regarded as notably efficient; and of Ohio and possibly Illinois, where some conditions are similar to ours."

Perhaps the most conspicuous single feature in which Pennsylvania differs from the four states mentioned is that Pennsylvania alone has no state civil service law.

There are said to be 5,382 employees in the various state departments.³ Of this number not more than 82 could under any possible view of the facts be properly classified as policy-determining officials. The experience of the other great commonwealths justifies the belief that the remaining 5,300 employees should be selected by modern employment methods; so that, to use William Penn's phrase, all future vacancies will be filled only by those "most fitly qualified."

Present employees should not be removed or disturbed in their employment except for good cause or for the reason that their positions are found to be unnecessary or to admit of consolidation. All employees worthy of retention should be encouraged to seek careers in the state's service, and new appointments should be made from those whose ability and experience has been tested by a trained staff of competent experts.

During the last few years there has developed in private industry as well as in the public service a growing realization of the importance of the human factor in production. It has come to be quite generally accepted that proper organization of departments alone will not suffice, and that efficiency and morale in the working force are at least equally essential.

Among those who have given the most careful attention to the problem of securing efficiency and morale in groups of workers, we find substantial agreement upon the following propositions:

First, That a high "turnover" is demoralizing to the service.

Second, That the "breaking in" of each new employee is expensive, and the higher the grade of the employee, the more expensive is the process.

Third, That a careful analysis should be made of the actual duties and responsibilities of each employee, and the various positions should be classified and the compensation adjusted on the principle of equal pay for equal service. This would be the carrying out of Franklin's view that every employee has "right to reasonable compensation."

³ A conservative figure, since some estimates run to twice that figure.

Fourth, That opportunity should be provided to employees to rise along established lines of promotion from the lower ranks of the service to the higher ranks.

Fifth, That these personnel problems should be handled through a central office and with a trained staff rather than by numerous scattered personnel clerks.

By intelligent co-operation between the different departments and this centralized personnel department, a "reservoir" of extra clerks could be provided to take care of seasonal work and be available to one department or another as needed. In like manner certain specialized professional services (such as those of engineers or physicians) might be made available to more than one department and duplication of expense thereby avoided.

Experience in other states justifies the belief that wherever sound business methods are not used in handling employment problems there is frequently a tendency toward "leakage" due to carelessness or slackness or incompetence on the part of the employees, or to their belief that they are merely holding "jobs" until the next administration comes into power, when, according to the rules of the game, they may expect to be asked to resign to make way for friends of the incoming administration.

Millions of dollars are involved in the annual payroll of state employees. If the effectiveness of service of each employee could be increased even ten per cent, if separations from the service could be reduced to a minimum, and if political activity were to be prohibited, the resulting economy to the state likewise would probably be measured in millions of dollars.

C. *State Purchasing Agent*

One of the big items of state expenditure consists of the purchase of supplies. The opportunities for extravagance are innumerable. Supplies are purchased separately by each department, and as an incidental matter; resulting often in lack of proper consideration and in careless action, while the proper conditions for really advantageous purchasing are entirely absent. The present wide diversity of soaps and stationery (to take only two examples) used in the different departments indicates the need and opportunity for instituting systematic central purchasing for all departments and agencies *so far as that procedure is compatible with actual economy of operation, and with necessary qualifications regarding purchasing for institutional use.* Purchasing for the use of widely scattered institutions distant from the capital naturally presents a somewhat special problem, with respect to which the central purchasing agent's desirable activities necessarily will be limited, but where co-operative purchasing can be inaugurated and encouraged.

By drafting specifications ; by eliminating unnecessary petty differences where substantially the same article is used ; by minimizing the specification of patented and special articles ; by securing real competitive bidding ; above all, by buying on large scale under favorable market conditions, a trained staff in a central office could effect economies for the state. It is therefore proposed that there be created the office of state purchasing agent. The agent and his subordinates are to be in the classified civil service. Subject to its rules and certifications the appointment of the purchasing agent is to be made by the governor and the purchasing agent is to be directly responsible to him. The purchasing agent is to be paid a salary commensurate with that received by department heads ; but he is to be considered as a permanent employee, not as an officer who determines political policies, and is not to be expected to sit in cabinet meetings.

D. *Economies in State Printing*

We recommend that all printing for the several departments be paid for out of funds appropriated for the use of the departments. When a department has a document to publish, it should ask the legislature for money for the purpose, or pay for it out of money already appropriated and available for the purpose. No requisition for printing should be valid without the approval of the superintendent of public printing and binding as to standards, price and quality ; but the duties of that official should be confined to the task of establishing standards and specifications, keeping costs at a minimum, and approving requisitions for printing for consistency with economical printing policy. The appropriations made directly to his office should be only to cover the necessary running expenses of the office. Adoption of this procedure would eliminate the half-million dollar grab-bag in which all the state departments scramble irresponsibly each biennium to get as much printing done as they can, since none of it becomes a charge against their own appropriations. It would effect economy, for the reason that proposed printing jobs would be a direct charge upon departmental appropriations. Of even greater moment, the readjustment would prevent "passing the buck" to the department of public printing and binding for work not promptly done ; inasmuch as the printing superintendent would be only a technical consultant and approving officer, and the responsibility for each piece of work would lie with the department originating it. Under that system, departments would not get out form letters apologizing for non-publication of reports four years overdue, and clearing their own skirts of the blame ; and the people of the state could not so easily be denied the assurances of effective free government which lie in the prompt publication of legislative proceedings, and which were considered a minimum 146 years ago, when Franklin wrote into the first constitution of Pennsylvania the provisions :

"Section the Thirteenth. The doors of the house in which the representatives of the freemen of this state shall sit in general assembly, shall be and remain open for the admission of all persons who behave decently, except only when the welfare of this state may require the doors to be shut.

"Section the Fourteenth. The votes and proceedings of the general assembly shall be printed weekly during their sitting, . . ."

We further recommend that the present state constitution be amended to permit the state government to do its own printing and binding instead of being required to let all such work on contract. We believe the result would be a decided economy, especially in view of the possibility that much of the work could be done in the state's institutions, if the constitutional barrier were removed.

E. Reorganization of the State Administrative System

Approximately 100 existing state departments, commissions and separate agencies may be consolidated (and some of them abolished) so as to reduce their numbers materially, and also to co-ordinate the work and eliminate unnecessary duplication of activities. It is our conviction, substantiated by history in other states, that the most effective consolidation can be accomplished only by a resolute and fearless governor, with the legislature's co-operation. Determining all the points where readjustments should be made is a matter not only of wise and generous planning but of detailed observation and intimate conference. Nevertheless, some of the possibilities are apparent to the citizen who has even casual business with the state departments. In the succeeding two main sections of this report (sections III and IV) are listed some of these possibilities. The more important suggested changes are as follows:

a. Department of Public Works

There are about twenty-five separate agencies now entrusted with the construction, maintenance or custody of some particular public building, park, statue or other public work. These range from the important "board of commissioners of public grounds and buildings" down to the forgotten and wholly obsolete "board to pass upon the necessity for the construction of elevated and underground passenger railroads." It seems advisable (1) to abolish all obsolete commissions; (2) to create, in place of the anachronous ex-officio board of commissioners of public grounds and buildings, a new state department of public works; and (3) to transfer to the new department the duties of all possible commissions which now have duties of custody of some particular statue or public work—and to abolish the commissions. Where, as in the case of certain commissions charged with building

monuments or selecting or acquiring sites, it does not seem advisable to abolish the commission until its specific work has been finished, the commission should co-operate closely with the new department of public works, and the department should perform for it all possible administrative services, leaving as little as possible to call for the existence or continuance of separate employees or a separate staff.

b. *Department of Commerce*

We recommend the creation of a single new department to take over and co-ordinate the work of the insurance department, banking department, the corporation and registration bureaus under the secretary of the commonwealth, and the bureau of standards under the secretary of internal affairs. In addition, the new department of commerce should charge itself with the general problem of studying and fostering the commerce and trade of Pennsylvania, a concern of public weal now not attended to inclusively by any department of the state government; and should be the agency for the future execution of such policies as the legislature may from time to time define and determine in this broad field.

c. *Department of Conservation*

We recommend the consolidation of the duties of studying and conserving the natural resources of this state, which are now distributed among the department of forestry, the department of fisheries, the board of game commissioners, the water supply commission, and the bureau of topographic and geological survey now under the secretary of internal affairs. To that end we recommend the co-ordination and consolidation of the work of all these departments (with the exception of certain logical transfers, suggested in section III of this report) in a single new department of conservation.

d. *Finance Commission, and Definition of Duties of
State Treasurer and Auditor General*

The fiscal functions of the state of Pennsylvania may briefly be summarized as follows:

1. *Levying of Taxes, Fixing of License Fees, etc.*

Clearly these are functions of the legislature. They are now exercised by the legislature and there is no thought that they should be placed elsewhere.

2. *Valuation of Property, etc., for Purposes of Taxation*

By this is meant the placing of a value upon property or other tax bases: such as the valuation of the capital stock of corporations, valuation of property subject to four-mill state tax, etc. At the present time such valuations as are made by state officials are made

by the auditor general and the state treasurer, with whom is lodged also the duty of settling appeals in connection with such matters. In the majority of cases, the valuation placed upon the taxable property by the corporation or other taxable person is accepted. It is recommended that the valuations be made by a separate tax commission, composed of the auditor general and two full-time paid expert members appointed by the governor: a body which will not simply accept the figures handed to it by the taxables, but will actually check them and make independent valuations where necessary. Further detail recommended concerning this proposed board is set forth in the paragraph entitled "Finance and Tax Commission," below.

3. *Assessment of Taxes*

By this is meant the calculation of the individual tax bills, etc., based upon the valuation on which the tax is levied and the rate of taxation or other charge. This is purely a ministerial function and should be lodged in a single administrative official. At the present time this function is lodged with the auditor general and the state treasurer jointly. It is recommended that the state treasurer be relieved completely of all work in this connection and that the auditor general be charged with the duty of making the assessments.

4. *Collection of State Revenues*

At the present time the auditor general is charged with the duty of collecting most state revenues. It is recommended that the auditor general be relieved completely of this function and that it be the duty of the state treasurer to collect all revenues or other moneys due the state. Except where circumstances seem to justify the collection in the first instance by other officials (for example, county treasurers, or permit-issuing departments) the treasurer should collect in the first instance, and in these other cases he should be charged with the duty of collecting at frequent and regular intervals from the other authorities.

5. *Custody of State Funds*

The state treasurer should be made sole custodian of all moneys received by or for the state, and should pay out such moneys only on warrant or check drawn pursuant to specific appropriations and countersigned by the auditor general. (Slight exception may have to be made in the case of sinking funds, insurance funds, and any other fund not available for ordinary governmental expenditure.)

6. *Accounting and Current Control Over Expenditures*

It is recommended that all state accounting be centralized in the auditor general; that no contract or purchase order by or for the state be valid unless countersigned by the auditor general;

and that no disbursement be made except on warrant or check countersigned by the auditor general. The auditor general should be charged with the responsibility of seeing that no expenditure or disbursement is made except in strict conformity with law. In other words, the auditor general is to be the state accountant and controller.

7. *Independent Legislative Audit*

While the auditor general should be held responsible for *current* control over expenditures, this is not in any strict sense an audit. The recommended activity of the auditor general is really nothing more than a part of current administrative procedure, similar to the financial administration of a railroad company or any large private corporation. The purposes which it serves are obviously necessary, but they cannot be held to be a check upon the administration of the state's finances except within very narrow limits. They cannot afford the means of fiscal control which they are popularly supposed to afford.

At present the legislature authorizes expenditure of public funds and then never gets any report upon the fidelity with which its authorizations have been carried out and its limitations heeded. Such a report is fundamentally necessary to its consideration of the governor's budget proposals and its authorization of the spending of further funds. Such a report cannot be made by an official charged with the duties of the current control of expenditures, for that would be an audit of his own work. It must be made by an official independent of the current fiscal administration and in fact entirely independent of the administrative authorities.

It should comprise not only a reliable statement of authorizations and expenditures disclosing any irregular or illegal matter connected therewith, and any weaknesses in the system of making authorizations, but also recommendations with regard to work done as a result of these expenditures and such suggestions as may be helpful to the legislature in determining its future program.

Such work is not now done at all and should be undertaken. It should be performed by an authority responsible solely to the legislature. Conceivably this might be a firm of public accountants employed for the purpose, but preferably it should be a permanent official appointed by the legislature for an indefinite time and having the assistance of an adequate staff.

8. *Finance and Tax Commission*

It is recommended that a commission be created, composed of the auditor general and two paid expert members appointed by the governor, to assume the duty of making the valuations of tax-

able property, stock, and other tax bases. We suggest that this body be called the finance and tax commission.

To this commission should be transferred the duties of the present board of revenue commissioners (composed of the auditor general, the state treasurer, and the secretary of the commonwealth), and the present sinking fund commission (composed of the same officials). The board of revenue commissioners, together with the commissioner of banking, selects the depositories for state moneys. The sinking fund commission is charged with the duty of paying the state debt and interest and managing the sinking fund. It is recommended that both of these present boards be abolished.

The finance commission should be regarded as existing not only for the foregoing purposes but for serving the state in whatever capacity an advisory body on fiscal matters may be needed (for example, to consider and recommend new sources of revenue); or as trustees; or for such minor matters of fiscal administration as it may be desirable to have under plural control; with the idea of obviating the necessity for creating any new commissions for such purposes in the future.

It is further recommended that the board of public accounts, which now exists, "to revise any settlement made with any person or body politic by the auditor general, when it may appear from the accounts in his office or from other information in his possession that the same has been erroneously or illegally made, and to re-settle the same according to law," be abolished, and its powers and duties transferred to the finance and tax commission.

9. *Fiscal Organization*

The state now has two elected fiscal officers, the state treasurer and the auditor general. It has been pointed out that the duties which it is recommended for these officials to assume, or to continue to exercise, are administrative in character and that the auditing of the state's finances should be performed separately and by an agency which does not now exist and which should be created.

The fact that the recommended duties of the state treasurer and the auditor general are purely administrative involves the conclusion that their duties could be performed better if these two officials were appointed rather than elected.

With respect to the treasurer it is recommended that he be made an appointive officer as soon as the constitution can be amended to make his appointment possible.

With respect to the auditor general, we submit that his title does not correctly describe his duties, either at present or as recom-

mended. He is not an auditor but a controller, and should be so called. In addition to a change of title it is desirable in the interest of good administration to change his relation to the rest of the administration. He corresponds to the controller of a corporation, to the fiscal officer of a school district, or to the secretary of the treasury of the United States. Correspondingly, he should be an integral part of the administration, should be appointed by the governor, and should sit in the governor's cabinet. There should not be any possibility of friction between the governor and the controller, since the controller is responsible for the smooth operation of the administration's financial and accounting system, a matter of the utmost concern in so large an undertaking as the operation of Pennsylvania's state administration. We therefore recommend that the auditor general be made appointive and that his title be changed to controller.

In making this recommendation, however, we recognize fully the point of view of those who regard the current control of the expenditure of state money as an opportunity for really exercising an "effective check" upon the administration of the state, and we realize fully that the recommendation to make appointive the officer who is now known as the auditor general is not likely to gain wide popular support until people generally have come to understand the difference between current control and independent audit, and to know that the results of an independent audit cannot be obtained by the officer in charge of current fiscal operations.

III. STATUTORY CHANGES IN DETAIL

The following changes by statute are proposed in order to reorganize the state government along the lines already described:

1. The Governor:

- a. Relieve the governor of statutory duties which it is obviously impossible for him personally to perform, and for which some other authority could equally well be held responsible: for example, the duty of deciding on the physical incapacity of individual state employees; the duty of approving salaries or deciding whether the services of particular subordinates are needed in the departments.
- b. Remove the governor from the soldiers' orphan school commission.
- c. Remove the governor from the armory board.
- d. Remove the governor from the college and university council.

- e. Substitute for the governor the secretary of the commonwealth as ex-officio chairman of the Pennsylvania historical commission.
 - f. Substitute for the governor the adjutant general on the commission for the erection of a statue in memory of General George Gordon Meade.
 - g. Substitute for the governor the adjutant general on the General Galusha Pennypacker monument commission.
 - h. Substitute for the governor the proposed commissioner of commerce on the two joint commissions (with New Jersey and New York states, respectively) for the acquisition and maintenance of toll bridges over the Delaware River.
 - i. Remove the governor from the board of trustees of the Soldiers' and Sailors' Home (Erie).
 - j. Relieve the governor of membership on the boards of trustees or other governing bodies of the University of Pennsylvania, the University of Pittsburgh, and Pennsylvania State College.
2. The Lieutenant Governor:
- No statutory change. But see section IV for suggested constitutional change.
3. Secretary of the Commonwealth:
- a. Place in this department the work of:
 - (1) State librarian and director of museum, so far as it relates to the preservation of official records and to library work for state officials.
 - (2) Legislative reference bureau.
 - (3) Senate librarian.
 - (4) House library.
 - (5) Superintendent of public printing and binding.
 - b. Remove from this department the work of:
 - (1) Corporation bureau. Transfer to department of commerce.
 - (2) Registration bureau. Transfer to department of commerce.
 - (3) Requisition and warrant bureau (handling extradition cases). Transfer to department of public welfare.
4. Attorney General:
- a. Relieve the attorney general of the duty of acting on his own initiative in matters which involve duplication of the proper efforts of other departments, and in which he

ought rather to act when requested by the proper department head.

- b. Remove the attorney general from the college and university council.
- c. Remove from this department the work of the bureau of maintenance collection. Transfer to department of public welfare.

5. Auditor General:

- a. Revise and define the duties of this office, as outlined in section II.
- b. Remove the auditor general from the Pennsylvania historical commission, the Delaware River bridge commission, the New Jersey and New York joint toll bridge commissions, and the board of trustees of the Soldiers' and Sailors' Home (Erie).
- c. See section IV for suggested constitutional changes.

6. State Treasurer:

- a. Modify the duties of this office, as outlined in section II.
- b. Remove the state treasurer from the state military board, the Pennsylvania historical commission, the Delaware River bridge commission, the New Jersey and New York joint toll bridge commissions, and the board of trustees of the Soldiers' and Sailors' Home (Erie).
- c. See section IV for suggested constitutional changes.

7. Secretary of Internal Affairs:

- a. Remove from this department the work of:
 - (1) Land office bureau. Transfer to secretary of the commonwealth. (Preserves land records.)
 - (2) Bureau of assessments and taxes. Transfer to secretary of the commonwealth. (Preserves local tax records.)
 - (3) Bureau of railroads. Transfer to public service commission.
 - (4) Bureau of standards. Transfer to department of commerce.
 - (5) Bureau of statistics and information. Transfer to department of labor and industry (except as parts of its work should be taken over by the department of commerce and the public service commission).
 - (6) Bureau of municipalities. Transfer to secretary of the commonwealth.

- (7) Bureau of topographic and geological survey. Transfer to department of conservation.
 - (8) News and clipping service. Transfer to state library, under secretary of the commonwealth.
 - b. Remove the secretary of internal affairs from the board of property, and from the dental council.
 - c. See section IV for suggested constitutional changes.
8. Department of Public Instruction :
- a. Transfer to this department the state museum and the library extension work of the state library.
 - b. Place all medical inspection in the schools, and all other health work carried on in the schools, under the sole direction of the school authorities and pay for it out of school funds, the schools still to remain, of course, under the general police power of the state department of health.
 - c. Co-ordinate with this department the following independent boards. No change is to be made in the method of selecting members of these boards or in their powers as examining officials. The department of public instruction, through its appropriate officials, is to take over the custody of records and the administrative work of examining and certification.
 - (1) Board of dental examiners of the State of Pennsylvania.
 - (2) Board of optometrical education, examination and licensure.
 - (3) State board of osteopathic examiners.
 - (4) State board of examiners for registration of nurses.
 - (5) State board of undertakers.
 - (6) State board of veterinary medical examiners.
 - (7) State board for the examination of accountants.
 - (8) State board of examiners of architects.
 - (9) State board for the registration of professional engineers and land surveyors.
 - (10) Pennsylvania board of pharmacy.
 - d. Co-ordinate with this department the college and university council.
 - e. Consolidate the dental council with the board of dental examiners.
9. Adjutant General :
- a. Transfer the work of the armory board to the department of public works, retaining the board as an advisory body and removing the governor from its membership.

- b. Change the composition of the state military board by substituting for the state treasurer a veteran of the world war appointed by the governor.
10. Insurance Department:
Transfer the work of this department to department of commerce. Discontinue as a separate department.
11. Banking Department:
Transfer the work of the department to department of commerce. Discontinue as a separate department.
12. Department of Agriculture:
No recommendation.
13. Department of Forestry:
Transfer the work of this department to department of conservation. Discontinue as a separate department.
14. Department of Labor and Industry:
Restore to this department the work of the bureau of statistics and information (secretary of internal affairs), so far as it relates to the field of work of this department.
15. Department of Mines:
No recommendation.
16. Department of Health:
 - a. Co-ordinate closely with this department the work of the anatomical board.
 - b. Place state tuberculosis sanatoria under the direct control of boards of trustees as in the case of state hospitals; reserving powers of supervision to the departments of health and public welfare.
 - c. Transfer medical inspection of school children in fourth class districts to department of public instruction; also, inspection of school houses.
17. State Highway Department:
Make the state highway commissioner a member of the Delaware River bridge commission and of the New Jersey and New York joint toll bridge commissions.
18. Board of Commissioners of Public Grounds and Buildings:
Transfer the work of this board to department of public works. Discontinue as a separate department.
19. State Art Commission:
Co-ordinate with department of public works by vesting the duties of the secretary of the commission in a full time employee of the department.

20. Department of Public Printing and Binding:

Transfer the work of this department to secretary of the commonwealth. Discontinue as a separate department.

21. State Library and Museum:

Transfer the museum and the work of library extension to department of public instruction; library work for state officials, and the preservation of public records, to secretary of the commonwealth.

22. Legislative Reference Bureau:

Transfer the work of this bureau to secretary of the commonwealth. Discontinue as a separate department.

23. Department of State Police:

- a. Place in this department the work of the fish wardens and game wardens.
- b. Abolish the bureau of fire prevention and transfer its duties to the insurance department, or its successor, and the department of labor and industry; fire prevention patrol to be continued by the uniformed force of the department of state police.

24. Department of Fisheries:

Transfer the work of this department to department of conservation. Discontinue as a separate department.

25. Public Service Commission of the Commonwealth of Pennsylvania:

Transfer to this commission:

The regulative powers of the water supply commission.

The work of the bureau of railroads (secretary of internal affairs).

The appropriate work of the bureau of statistics and information (secretary of internal affairs).

26. Water Supply Commission:

Abolish this commission and transfer its duties as follows:

Construction, to department of public works.

Rate and traffic regulation, to public service commission.

Health control, to department of health.

Supply and conservation problems, to department of conservation.

27. Board of Game Commissioners:

Transfer the work of this board to department of conservation. Discontinue as a separate department.

28. Soldiers' Orphan School Commission:
Abolish, and place the school under a board of trustees, selected not ex-officio, but similarly to the boards of trustees of other state schools and institutions, and under the general supervision of department of public welfare.
29. Pennsylvania State Board of Censors of Motion Pictures:
No recommendation.
30. Board of Pardons:
No statutory change. But see section IV for suggested constitutional change.
31. State Military Board:
 - a. Substitute for the state treasurer a world war veteran appointed by the governor.
 - b. Transfer to this board the duties of the soldiers' bonus commission.
32. Armory Board of the State of Pennsylvania:
Transfer the work of this board to department of public works, retaining the board as an advisory body and removing the governor from its membership.
33. Board of Property:
Co-ordinate this board with that part of the department of the secretary of the commonwealth which is to undertake the work of the present land office bureau. Substitute the attorney general for the secretary of internal affairs, in the membership of the board, and vest the duties of secretary of the board in an employee of the department.
34. Sinking Fund Commission;
35. Board of Revenue Commissioners;
36. Board of Public Accounts:
Abolish and transfer their duties to the proposed finance and tax commission.
37. Board to License Private Bankers:
Abolish, and transfer duties to that part of the department of commerce which is to undertake the work of the present banking department.
38. Engineer to Co-operate with Director of Wharves, Docks and Ferries, Philadelphia:
Abolish, and transfer duties to department of public works.
39. Board of Dental Examiners of the State of Pennsylvania;
40. Board of Optometrical Education, Examination and Licensure;
41. State Board of Osteopathic Examiners;
42. State Board of Examiners for Registration of Nurses;
43. State Board of Undertakers;

44. State Board of Veterinary Medical Examiners ;
45. State Board for the Examination of Accountants ;
46. State Board of Examiners of Architects ;
47. State Board for the Registration of Professional Engineers and Land Surveyors ;
48. Pennsylvania Board of Pharmacy :
Co-ordinate these boards with the department of public instruction, vesting in the department the administrative work and the custody of records and making no change in the selection or examining powers of the boards.
49. College and University Council :
Remove the governor and the attorney general from membership, and co-ordinate the council's activities closely with the department of public instruction.
50. Dental Council of Pennsylvania :
Consolidate this council with the board of dental examiners.
51. Executive Committee of the Anatomical Board of Pennsylvania :
Co-ordinate the work of this board closely with the department of health, by vesting the executive duties of the secretary of the committee in a full time employee of the department.
52. Board to Pass Upon the Necessity for the Construction of Elevated and Underground Passenger Railways :
Abolish.
53. Emergency Public Works Commission :
Abolish.
54. War History Commission :
Consolidate with the Pennsylvania historical commission.
55. Pennsylvania Historical Commission :
a. Continue, in close co-operation with the department of public works, which shall perform for the commission the services in connection with the maintenance of buildings, grounds, and other places.
b. Substitute the secretary of the commonwealth for the governor, as member and ex-officio chairman of the commission.
56. Lake Erie and Ohio River Canal Board of Pennsylvania :
Continue as an independent body, but make the state commissioner of public works a member (by law) of the commission and provide that the board serve without salary (but with necessary expenses) even when construction is undertaken and after operation of the waterway is begun.

The board should have a full time salaried engineering and administrative staff, and should follow a plan of operation analogous to that of the joint commission to construct the bridge over the Delaware River, connecting Philadelphia and Camden.

57. Commissioners of Valley Forge Park;
58. Gettysburg Battlefield Memorial Commission;
59. Andrew G. Curtin Statue Commission;
60. George T. Oliver Statue Commission;
61. Camp Curtin Park Commission;
62. Washington Crossing Park Commission;
63. Commission for the Improvement of the Erie Canal Basins at the Port of Erie;
64. Pennsylvania State Park and Harbor Commission of Erie;
65. Wyoming Valley Memorial Park Commission:
Abolish these agencies and transfer their powers and duties to the department of public works.
66. Commission for the Erection of a Statue or Memorial in Memory of General George Gordon Meade;
67. Robert Morris Monument Commission;
68. General David McMurtrie Gregg Statue Commission;
69. General Galusha Pennypacker Monument Commission;
70. State Military Cemetery Commission:
Continue these agencies for the present, but when they have finished their immediate tasks abolish them and transfer their duties to the department of public works.
71. Fort Washington Park Commission:
Abolish this commission (which in fact consists of the commissioners of Fairmount Park) and transfer its appropriations, powers and duties directly to the commissioners of Fairmount Park. This recommendation must not be construed as implying approval, however, of such appropriations as have been made recently to the Bushy Run Battlefield memorial association and the Paoli memorial association, which are private associations and not, like the commissioners of Fairmount Park, an arm of government. It is recommended that in the future such appropriations as have been made to these associations be made directly to and expended by the department of public works.
72. Commission to Construct a Bridge over the Delaware River, Connecting Philadelphia and Camden:
Continue, substituting the commissioner of highways and the commissioner of public works for the auditor general and the state treasurer, as members of the commission.

73. Commission to Provide for Joint Acquisition and Maintenance by the Commonwealth of Pennsylvania and the State of New Jersey of Certain Toll Bridges over the Delaware River;
74. Commission to Provide for Joint Acquisition and Maintenance by the Commonwealth of Pennsylvania and the State of New York of Certain Toll Bridges over the Delaware River:
For the present representatives of the commonwealth of Pennsylvania on these joint commissions (the governor, the auditor general, and the state treasurer) substitute the commissioners of public works, highways, and commerce.
75. Soldiers' Bonus Commission:
Abolish, and transfer duties to the state military board.
76. Battlefield Commission:
Abolish, and transfer duties to the Pennsylvania historical commission and the department of public works.
77. Pennsylvania Anthracite Mine-Cave Commission:
Continue as at present.
78. Snyder-Middleswarth Park Commission:
Abolish, and transfer duties to that part of the department of conservation which is to undertake the work of the present department of forestry.
79. Commission on Independence Celebration;
80. State Fair Commission:
Continue these commissions as at present, but vest any duties of construction and custody in the department of public works.
81. State Truancy School Commission:
Abolish.
82. Commission for the Selection of a Site and the Erection of a State Institution for Inebriates:
Abolish.
83. Building Commission, Eastern State Hospital for the Insane (Selinsgrove):
Abolish as soon as its immediate task is accomplished.
84. Department of Public Welfare:
No recommendation.
85. Senate Library;
86. House Library:
Merge with the legislative reference bureau under secretary of the commonwealth.
87. Create the following new agencies, commissions, and departments, as recommended in section II of this report:
 - a. Budget director.

- b. State civil service commission.
- c. State purchasing agent.
- d. Legislative auditor.
- e. Finance and tax commission.
- f. State department of public works.

To supplant immediately :

- (1) Board of commissioners of public grounds and buildings.
- (2) Armory board of the state of Pennsylvania.
- (3) Engineer to co-operate with director of wharves, docks and ferries, Philadelphia.
- (4) Commissioners of Valley Forge park.
- (5) Gettysburg Battlefield memorial commission.
- (6) Andrew G. Curtin statue commission.
- (7) George T. Oliver statue commission.
- (8) Camp Curtin park commission.
- (9) Washington Crossing park commission.
- (10) Commission for the improvement of the Erie Canal basins at the port of Erie.
- (11) Pennsylvania state park and harbor commission of Erie.
- (12) Wyoming Valley memorial park commission.

To supplant eventually :

- (13) Commission for the erection of a statue or memorial in memory of General George Gordon Meade.
- (14) Robert Morris monument commission.
- (15) General David McMurtrie Gregg statue commission.
- (16) General Galusha Pennypacker monument commission.
- (17) State military cemetery commission.

To absorb :

- (18) Construction work of the water supply commission.

To perform services especially for :

- (19) State art commission.
- (20) Pennsylvania historical commission.
- (21) Commission on independence celebration.
- (22) State fair commission.

To be closely co-ordinated with :

- (23) Lake Erie and Ohio River canal board.
- (24) Delaware River bridge commission.
- (25) Pennsylvania-New Jersey joint toll bridge commission.
- (26) Pennsylvania-New York joint toll bridge commission.

g. Department of Commerce—to supplant :

- (1) Insurance department.
- (2) Banking department.
- (3) Corporation bureau, secretary of the commonwealth.

- (4) Registration bureau, secretary of the commonwealth.
- (5) Bureau of standards, secretary of internal affairs.
- h. Department of Conservation—to supplant:
 - (1) Department of forestry.
 - (2) Department of fisheries.
 - (3) Board of game commissioners.
 - (The forestry commission, fisheries commission, and board of game commissioners to be retained as advisory bodies, and the fish and game wardens to be replaced by the uniformed force of the state police.)
 - (4) Bureau of topographic and geological survey, secretary of internal affairs.
 - (5) Water supply commission (as regards supply and conservation problems).
 - (6) Snyder-Middleswarth park commission.

IV. CONSTITUTIONAL AMENDMENTS

Not all of the changes necessary for reorganizing the state government can be made without changing the state constitution. Amendments are needed for the following purposes:

- A. To establish a budget system.
 Limitations placed upon the legislature as to adjournment and as to the passage of appropriation acts must be written into the constitution. Amendments also are necessary forbidding "state-aid" appropriations to individual institutions, and permitting the inclusion of all state appropriations in one act.
- B. To establish the merit system in the civil service.
 There should be expressed in the constitution the requirement that appointments to state positions be made on the basis of merit, ascertained so far as practicable by competitive tests.
- C. To enable the state to do its own printing.
- D. To make the state treasurer appointive.
- E. To change the auditor general's title to controller and make him appointive.
- F. To abolish the office of secretary of internal affairs.
- G. To abolish the office of lieutenant governor.
- H. To abolish the pardon board, lodging the pardoning power in the hands of the governor to be exercised in accordance with such provisions as the legislature may prescribe.
- I. To relieve the governor of all constitutional duties which he cannot personally perform or personally supervise; for example, the approving of contracts for stationery, printing, paper and fuel.

V. THE REORGANIZED GOVERNMENT

In section III of this report are listed 84 separate officers, departments, boards, commissions, and independent bodies which make up the administrative organization of the state of Pennsylvania. By the process of combining, subordinating and abolishing recommended, these can be reduced to a simple governmental structure consisting of:

1. An elected governor.
2. Thirteen administrative departments and two administrative commissions, dividing appropriately the great task of rendering public service to the citizens of the state:
 - a. Secretary of the commonwealth.
 - b. Department of public instruction.
 - c. State department of health.
 - d. State department of public welfare.
 - e. Department of agriculture.
 - f. Department of conservation.
 - g. Department of mines.
 - h. Department of labor and industry.
 - i. Department of commerce.
 - j. State highway department.
 - k. State department of public works.
 - l. Department of state police.
 - m. Adjutant general.
 - n. Public service commission.
 - o. Pennsylvania anthracite mine-cave commission.
3. Five "staff" departments and two "staff" commissions of major administrative importance:
 - a. Attorney general.
 - b. State controller.
 - c. State treasurer.
 - d. Budget director.
 - e. State purchasing agent.
 - f. State civil service commission.
 - g. Finance and tax commission.
4. Four minor administrative commissions:
 - a. State art commission.
 - b. Pennsylvania historical commission.
 - c. Pennsylvania state board of censors of motion pictures.
 - d. State military board.
5. Four interstate commissions on which the commonwealth of Pennsylvania has official representation:
 - a. Lake Erie and Ohio River canal board.
 - b. Delaware River bridge commission.

- c. Pennsylvania-New Jersey joint toll bridge commission.
 - d. Pennsylvania-New York joint toll bridge commission.
6. One new office under the control of the legislature:
The legislative auditor.

Cabinet Meetings

With the state so organized, it will be possible to call a cabinet meeting at which every resource of the state and every major activity of state administration will be represented around the governor's table. It is recognized that one of the serious defects in the present system is the lack of co-operation and co-ordination between the various departments. Nothing can make a more certain contribution to wasteful government. This condition could be easily corrected by a governor having the means and the will to call together regularly and readily his principal aides and policy-determining appointees, such as:

- a. The attorney general.
- b. The proposed state controller.
- c. The secretary of the commonwealth.
- d. The superintendent of public instruction.
- e. The commissioner of health.
- f. The commissioner of public welfare.
- g. The secretary of agriculture.
- h. The chief of the department of mines.
- i. The commissioner of labor and industry.
- j. The proposed commissioner of conservation.
- k. The proposed commissioner of commerce.
- l. The state highway commissioner.
- m. The proposed commissioner of public works.
- n. The superintendent of state police.
- o. The chairman of the public service commission.
- p. The proposed budget director.

Groups Within the Cabinet

Not only is there an opportunity for regular cabinet meetings. There is an equally promising opportunity to inaugurate regular meetings of certain groups of cabinet officials having common concern with certain kinds of public problems. Thus the departments of agriculture, conservation, highways, and mines, have common problems affecting the natural resources of the state. The departments of public instruction, health, public welfare, mines, labor and industry, and the motion picture censors, have common problems affecting our human resources. The departments of commerce, labor and industry, highways, and the public service commission, deal with problems especially affecting our business life. The departments of highways and public works form

still another natural group. The encouragement of habitual conference and co-operation within and between these natural groups is just as important as the fostering of cabinet meetings.

Governors are Responsible for the Future of the Government

Then, what of the future? If the legislature of 1923 enacts the foregoing program for simplified government, will the succeeding legislature begin again the process of creating a hodge-podge of new and unrelated boards and commissions? It certainly is likely to do so, as long as human nature is human nature, and as long as we continue to elect members of our legislature from geographical districts, and to do our political thinking by geographical districts. It is even likely that *the same legislature which enacts a reorganization program will also pass measures which contravene it* by beginning a new series of governmental odds and ends.

What, or who, is to prevent this?

The governor.

The governor is just as much responsible for the structure of state government as he is for the acts of the state administration; for he not only has before him the picture of his administration as it exists, but also he has the veto power, which under any ordinary circumstance is ample to prevent the enactment of any change in the administrative structure which is not acceptable to him.

It is no longer sufficient that the governor be pledged to support and obey the constitution and discharge the duties of his office with fidelity. He must be equally pledged to maintain the machinery of state government and turn it over to his successor at least in as good condition as he found it.

He must be pledged not only to defend the constitution, but to defend the structure of state government against the encroachment of even innocent stupidity and selfishness.

He must defend the principle that government exists solely for the purpose of rendering public service, and that its machinery must be maintained constantly at the highest level of fitness and applied without deflection to this single purpose.

In the judgment of this committee, the present moment is a most excellent time not only to secure reorganization of the state government but to begin the pursuit of this tradition.

HOW THE CANDIDATES STAND

Fourteen questions based on the foregoing report were laid before each of the candidates by the Pennsylvania State Association, prior to the primary, accompanied by the following statement:

"There is no issue in the campaign more important to us who will be your loyal constituents if you are elected than the issue of economy, efficiency and reorganization of the state government. None of us has money to spend lightly. What we spend ourselves we are employing with care. The portion of our income spent for us publicly and not within our personal control must be employed, we insist, with equal care and as a trust. If you are nominated and elected Governor of Pennsylvania, you will be responsible for the spending of a large share of this money. Hence it is of deep interest to us to know your attitude upon certain matters which seem to us to have very close relation to the exercise of wise thrift in administering the state."

The Replies

GIFFORD PINCHOT

REPUBLICAN NOMINEE

(Statement, May 9, 1922.)

"I have before me the report of the Pennsylvania State Association on government reorganization at Harrisburg. This Association has done a splendid service for Pennsylvania in making public this most comprehensive report.

"Accompanying the report is a list of questions which I understand has been submitted to every candidate for governor. I will not attempt to answer categorically all of these questions, but I want to say that generally I am in deep sympathy with the spirit of all of them.

"Several of the questions deal with a budget system and with the method of collecting and disbursing taxes. I have made my answer on the budget in all parts of Pennsylvania, and I repeat it here. When I am governor the business of the state of Pennsylvania will be run on a budget system, and I will not wait for a constitutional amendment.

"As to the handling of our state's revenues, I repeat that the first job I will do will be to call around me the best brains in Pennsylvania to make a thorough and complete investigation of the fiscal condition of Pennsylvania and to make the facts public. These pledges cover the most important questions asked by the State Association. I may disagree with the State Association in some minor details, but I am sure that the thoroughly disinterested and patriotic work done by this able group of men and women *will be one of the safe charts that I shall be justified in using when I am governor.*"

JOHN A. McSPARRAN

DEMOCRATIC NOMINEE

(Summary of answers to questions, May 10, 1922.)

Favors a budget system and if elected will work to secure one substantially as recommended by the Pennsylvania State Association.

Prefers tax valuation by county commissioners to the creation of a state tax commission.

Favors clarifying the duties of state fiscal officers and compelling prompt and informative financial reports by imposing heavy fines on officers who fail to make them correctly. Does not favor a legislative auditor.

Favors merging special funds with the general fund, except auto and truck license money.

Favors the merit system in state civil service and will work for its adoption.

Favors the creation of a central purchasing agency.

Favors the principle that there should be no state printing grab-bag.

Favors drastically simplifying the present state government.

Will veto bills creating new commissions or boards to perform functions which can be performed by existing agencies.

Believes the Pennsylvania State Association's report should suggest "simplification by referring powers that have been taken over by the state, back to the smaller units of government, where the smaller units have officers doing the same work."

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